



COMMONWEALTH BUREAU OF CENSUS AND STATISTICS
QUARTERLY BUSINESS SURVEY No. 8.

PRELIMINARY RESULTS

I. LABOUR TURNOVER

II. MOVEMENTS IN STOCKS

Quarterly Business Survey No.8 asked for figures of the value of stocks held by Australian businesses. Also included in the Survey was a question on labour turnover designed to show the importance of this problem in industry at present. The coverage of the survey was similar to that for previous surveys and the preliminary results are based on returns covering about 25% of employees (excluding rural) in private firms subject to payroll tax. Preliminary figures of labour turnover covering all non-rural private industry, excluding the shipping and stevedoring industries for which it was found impossible to separate casual employees, are shown in Part I of the report. In Part II the value of stocks at March, 1949 derived from this survey are compared with stock figures from earlier surveys showing the trend in stock movements from 1946 to March, 1949.

I. LABOUR TURNOVER

Labour turnover can be measured by reference either to engagements or separations and in any particular case is usually measured in relation to the lower of these two. In the tables shown below figures are given for both engagements and separations expressed as a percentage of the average employment for March.

Periods covered varied in individual returns and should be interpreted as applying to an average period of nearly five weeks. Figures will also be influenced by seasonal factors which affect industries differently and should be allowed for in interpreting the figures. Manual workers were defined to include mining, factory, and building operatives (including foremen), repair and maintenance staffs, storemen, packers, carters, drivers, cleaners and other similar classifications. Clerical and sales etc. staff included all other employees, and therefore ranges from minor clerical grades to higher executives.

The overall labour turnover for manufacturing and non-manufacturing industries for males and females is shown in Table I.

TABLE I. PERCENTAGE LABOUR TURNOVER, MARCH, 1949.

	Male		Female		All Employees	
	Engage- ments	Separ- ations	Engage- ments	Separ- ations	Engage- ments	Separ- ations
Manufacturing	8.2	7.4	9.2	7.5	8.4	7.4
Other	6.1	5.3	9.9	8.5	7.4	6.3
All Industry	7.3	6.4	9.5	8.0	7.9	6.9

Figures for manufacturing industry of 8.4% for engagements and 7.4% for separations compare with 5.0% and 5.5% respectively for the United States during September, 1948. The United Kingdom rates were 3.2% and 2.9% during the four weeks in January, 1949. However, the United Kingdom figures are not directly comparable with the Australian or the United States figures as engagements include only those persons engaged during the month who are still on the payroll at the end of the month. Since the separations figure is directly derived from the engagements figure it is also understated.

Table 2 shows the rates of turnover in separate industries for male and female workers divided into manual and other workers.

TABLE 2. LABOUR TURNOVER FOR MANUAL AND CLERICAL WORKERS BY INDUSTRIES.

Industry	A : Engagements				B : Separations			
	Male		Female		Male		Female	
	Manual	Clerical,etc.	Manual	Clerical,etc.	A	B	A	B
	%	%	%	%	%	%	%	%
Manufacturing -								
Stone, earthenware, glass	10.1	7.9	1.6	.8	4.2	4.2	1.5	1.3
Engineering, metals	8.9	8.5	1.5	1.5	12.9	11.2	4.7	3.7
Vehicles	8.7	6.4	1.8	.9	17.1	10.3	5.9	2.9
Textiles	8.7	9.1	1.1	.9	9.7	9.1	5.3	3.4
Clothing	5.6	5.0	2.4	1.2	5.9	5.0	1.8	1.6
Food, drink, tobacco	12.1	10.2	2.4	1.7	27.9	21.7	4.4	6.1
Furniture, sawmilling, woodworking	11.4	11.6	1.7	2.0	7.7	5.6	7.1	3.1
Paper, printing	6.3	4.5	2.1	1.2	8.6	6.6	3.6	2.5
Chemicals, dyes, etc.	6.1	4.4	1.7	1.2	3.2	3.1	3.3	2.5
Leather, rubber	7.9	7.4	2.8	.8	8.3	3.1	1.0	9.3
Gas and electricity supply	3.9	3.5	.2	.4	-	-	2.6	4.5
Other manufacturing	12.4	14.8	2.1	2.0	22.6	21.2	2.9	1.7
All manufacturing	9.3	8.5	1.8	1.4	10.9	8.9	3.9	3.4
Mining	3.8	3.4	.4	1.0	-	-	4.4	2.1
Building	11.7	10.7	1.1	.2	-	-	8.8	8.5
Road Transport	6.5	6.7	5.9	.8	-	-	.1	.5
Rail and Air Transport	6.4	5.3	6.0	5.0	-	-	3.0	2.4
Banks	2.2	1.9	2.4	.7	5.5	3.1	5.8	1.9
Insurance and other finance	3.2	3.7	3.4	1.6	2.8	3.5	7.7	10.3
Wholesale Trade	6.6	5.6	3.3	2.3	5.3	4.9	12.4	10.6
Retail Trade	6.6	5.1	4.4	4.8	5.3	5.5	8.8	6.6
Professional Service	7.0	3.6	2.8	.8	1.5	1.0	3.6	5.1
Personal Service, Entertainment, etc.	13.4	11.3	4.0	5.5	12.9	12.1	18.4	13.9
All Industry	8.9	8.0	3.0	2.3	10.7	9.0	8.5	7.1

Turnover of male clerical workers is low in almost all industries. Only in the air transport, retail trade, and personal service and entertainment industries is the percentage of both engagements and separations greater than 2%. Rates for manual workers are higher and vary more widely. Highest rates are in building, personal service and entertainment, food, drink and tobacco, woodworking, and "other manufacturing" in all of which both engagements and separations were over 10% - equivalent to over 100% turnover per year.

For females engagement and separation rates are higher than for males, and there is less disparity between manual and other workers than for males. For manual workers, food, drink and tobacco, "other" manufacturing, and personal service and entertainment industries again exhibit high rates, but engineering and vehicle building industries are also high. Turnover in all these exceed 10% and in food, drink and tobacco and "other" manufacturing exceed 20% - rather more than 200% for the year. For clerical workers highest rates are found in personal service, and entertainment and wholesale trade, followed by building, insurance and retail trade.

Table 3 gives the percentage of engagements and separations for males for shift and other manual workers in certain manufacturing industries.

TABLE 3. LABOUR TURNOVER AMONG SHIFT AND NON-SHIFT MANUAL WORKERS.

Industry	Shift Workers		Other Manual	
	Engage- ment	Separ- ations	Engage- ment	Separ- ations
Stone, earthenware, glass, etc.	11.1	9.3	10.0	7.7
Engineering and metal working	5.4	6.1	9.5	8.9
Vehicle building	16.2	16.1	8.4	6.1
Textile	10.7	11.2	7.6	8.0
Clothing	21.5	12.7	5.0	4.7
Food, drink, tobacco	13.9	11.5	11.8	10.0
Paper making and printing	6.5	3.5	6.3	5.0
Leather and rubber	6.4	6.5	8.7	7.9

These figures show substantial differences in labour turnover rates between shift and non-shift workers and on the whole suggest a tendency for turnover to be higher for shift workers than for others. However, owing to the relatively smaller proportion of shift workers in the vehicle building and clothing industries the difference in the rates of turnover for these industries is not of great importance.

Comparative figures for labour turnover for Australia, United Kingdom and the United States for certain manufacturing industries are shown in the following table. As stated earlier the United States figures are broadly comparable but those for the United Kingdom are slightly understated.

TABLE 4. LABOUR TURNOVER IN SELECTED MANUFACTURING INDUSTRIES - AUSTRALIA, U.K. AND U.S.A.

Industry	Australia March, 1949		United Kingdom January, 1949		United States September, 1948	
	Engage- ment	Separ- ations	Engage- ment	Separ- ations	Engage- ment	Separ- ations
Vehicle building, etc.	7.9	5.6	2.7	2.2	6.1	5.5
Textile	8.5	8.4	3.8	3.0	4.1	4.1
Clothing	5.5	4.6	4.5	3.1	5.7	5.5
Food, drink and tobacco	13.4	11.1	3.4	4.0	7.2	7.5
Furniture making, etc.	10.3	10.3	3.6	3.4	7.2	7.4
Paper making and printing	5.6	4.1	2.7	2.1	-	-
Chemicals, etc.	4.3	3.2	2.8	2.5	2.5	3.2

II. MOVEMENTS IN STOCKS

Quarterly Business Survey No. 8 also asked for information as to the value of manufacturers' and traders' stocks as at the end of September, 1948 and March, 1949. Preliminary estimates of the value of stocks for March are compared below with revised estimates of the value of stocks for the balancing dates in 1946, 1947 and 1948 derived from returns to previous surveys.

Table I shows the movement in the total value of manufacturers' and traders' stocks from 1946 to March, 1949.

TABLE I. VALUES OF MANUFACTURERS' AND TRADERS' STOCKS 1946 - MARCH, 1949.

	1946	1947	1948	March, 1949
	£m.	£m.	£m.	£m.
Manufacturing	222	266	323	382
Trading	114	163	218	237
Total	336	429	541	619

From the balancing dates in the year 1947-48 - averaging roughly the end of May, 1948 - to the end of March, 1949, total stocks of manufacturers and traders increased by about £80m. If this trend continues, stocks will increase by a further £20m. to about £640m. by the end of 1948-49. This represents an increase of about £100m. for the twelve months as compared with an increase of £93m. in 1946-47 and £112m. in 1947-48.

Since 1946 the value of traders' stocks has increased by 110% as compared with a 70% increase in manufacturers' stocks. In the last ten months, however, traders' stocks have risen by only 9% while manufacturers' stocks have increased by about 20%.

The rapid increase in prices since about the middle of 1947 is reflected in the higher values of stocks. After allowing price increases it appears that the volume of stocks has increased little in the past ten months - the volume of traders' stocks remaining roughly stable and of manufacturers' stocks still rising slightly. This indicates that the post-war restocking had ceased by the early months of 1948 and that goods are now flowing more evenly through from manufacturers to consumers.

The value of stock holdings for the main manufacturing industries at the annual balancing dates since 1946 and for March, 1949 are shown in Table 2.

TABLE 2. VALUES OF MANUFACTURERS' STOCKS.

Industry	1946	1947	1948	March, 1949
	£m.	£m.	£m.	£m.
Engineering and Vehicles	81	95	115	133
Textile	14	16	17	28
Clothing	18	21	28	31
Food, Drink and Tobacco	48	60	67	78
Paper and Printing	14	18	24	25
Other Manufacturing	47	56	72	87

The largest increases have occurred in the engineering and vehicles and "other manufacturing" industries. Within the "other manufacturing" group rubber and leather manufacturing industry accounts for about £5m. of the total increase of £15m. Considerable increases have also occurred in the textile and food, drink and tobacco groups.

For the textile industry the percentage increase for the ten months to March, 1949 is about 65% but the greater part of this would result from the withdrawal of subsidy payments. Returns to Quarterly Business Survey No.6 indicated that raw material stocks accounted for about 60% of the total stocks of textile manufacturers. If the effect of the subsidy withdrawal was to about double the value of raw materials stocks this would account for about £10m. of the total increase of £11m. shown in the above table.

Table 3 shows the movements in traders' stocks from 1946 to March, 1949.

TABLE 3. VALUES OF TRADERS' STOCKS.

	1946	1947	1948	March, 1949
Wholesale	59	88	127	137
Retail	55	75	91	100

Since 1948 stocks of wholesalers and retailers have increased by about equal amounts and it appears that for both groups the current rate of increase is due almost entirely to the general rise in prices.